ANNUAL REPORT

for the fiscal year
ending March 31, 1987

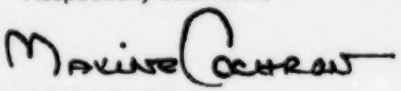
Department of Consumer Affairs

The Honourable Alan R. Abraham
Lieutenant-Governor
Province of Nova Scotia

May It Please Your Honour:

I have the honour to present to you the Annual Report of the Department of Consumer Affairs for the fiscal year ending March 31, 1987.

Respectfully submitted,



Maxine Cochran
Minister

The Honourable Maxine Cochran
Minister of Consumer Affairs
Province of Nova Scotia
Halifax, Nova Scotia

Madam:

I take pleasure in presenting to you a report of the activities of the Department of Consumer Affairs for the year ending March 31, 1987.

Respectfully submitted,

Cathy MacNutt
Deputy Minister

CONTENTS

Letters of Transmittal 3,5

Organization Chart 7

Acts Administered by the Department 8

General Summary 9

Administration Division 9

Amusements Regulation Division 10

Consumer Services Division 12

Credit Unions and Trust Companies Division 14

Insurance Division 16

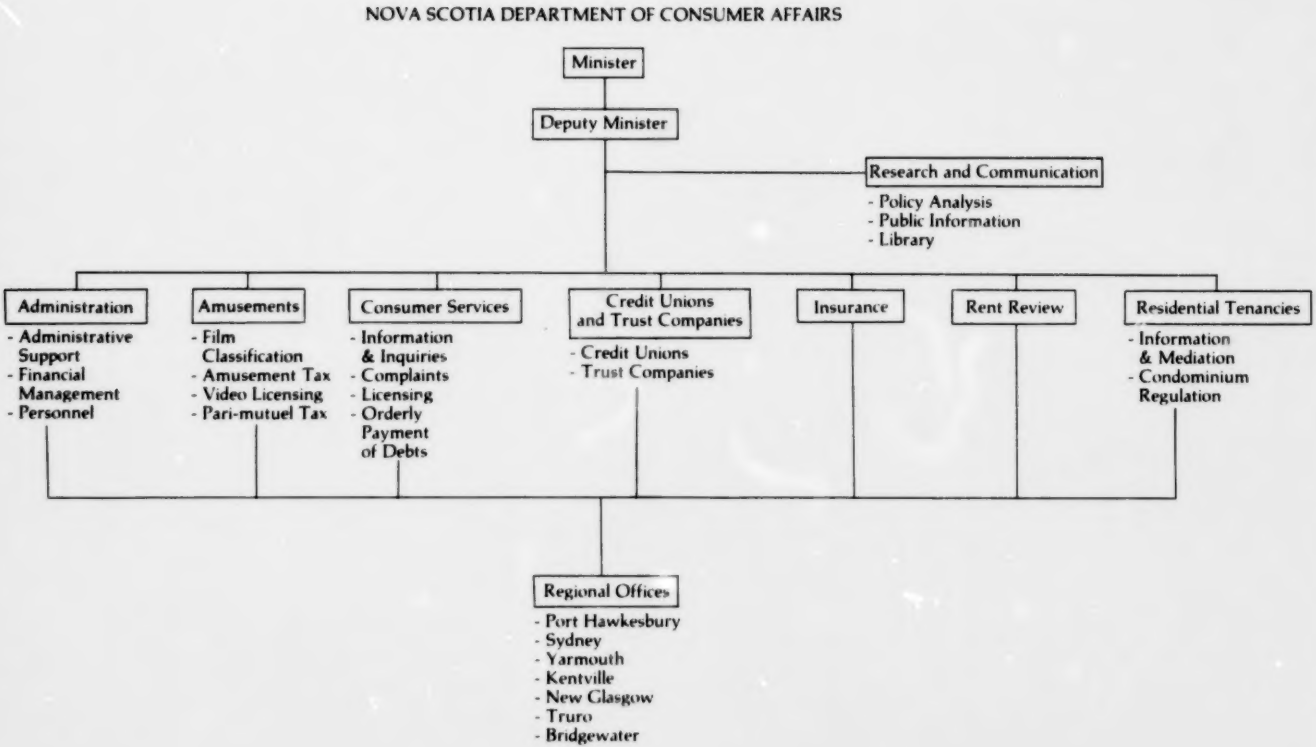
Rent Review Division 17

Residential Tenancies Division 18

Financial Information 20

Statistical Information 21

Department of Consumer Affairs Offices 36


NOVA SCOTIA DEPARTMENT OF CONSUMER AFFAIRS
Minister
Deputy Minister
Research and Communication
- Policy Analysis
- Public Information
- Library
Administration
- Administrative Support
- Financial Management
- Personnel
Amusements
- Film Classification
- Amusement Tax
- Video Licensing
- Pari-mutuel Tax
Consumer Services
- Information & Inquiries
- Complaints
- Licensing
- Orderly Payment of Debts
Credit Unions and Trust Companies
- Credit Unions
- Trust Companies
Insurance
Rent Review
Residential Tenancies
- Information & Mediation
- Condominium Regulation
Regional Offices
- Port Hawkesbury
- Sydney
- Yarmouth
- Kentville
- New Glasgow
- Truro
- Bridgewater

ACTS ADMINISTERED BY THE DEPARTMENT OF CONSUMER AFFAIRS

- The Cemetery and Funeral Services Act
- The Collection Agencies Act
- The Condominium Act
- The Consumer Creditors Conduct Act
- The Consumer Protection Act
- The Consumer Reporting Act
- The Consumer Services Act
- The Credit Union Act
- The Direct Sellers' Licensing and Regulation Act
- The Embalmers and Funeral Directors Act
- The Instalment Payment Contracts Act
- The Insurance Act
- The Insurance Premiums Tax Act
- The Loan Companies Inspection Act
- The Mortgage Brokers and Lenders Registration Act
- The Mutual Insurance Companies Act
- Part X of the Bankruptcy Act (Federal)
- The Public Accountants Act
- The Real Estate Brokers' Licensing Act
- The Rent Review Act
- The Rental Property Conversion Act
- The Residential Tenancies Act
- The Tax Rebate Discounting Act (Federal)
- The Theatres and Amusements Act
- The Trust Companies Act
- The Unconscionable Transactions Relief Act

GENERAL SUMMARY

The 1986-87 fiscal year saw a continued increase in requests for information and services from both the consumer and corporate communities of Nova Scotia. In statistical terms, the department's offices received approximately 167,900 telephone calls. Visitors to our various offices numbered approximately 23,800. When combined, the activity represented an average of 767 daily contacts with our offices, excluding mail received.

The department administers 24 provincial and two federal statutes. Although the department must administer the regulatory aspects of the legislation, this is accomplished in a major way by providing information to consumers and businesses alike, thus decreasing the requirement for enforcement.

The department has seven divisions: Administration; Amusements Regulation; Consumer Services; Credit Unions and Trust Companies; Insurance; Rent Review; and Residential Tenancies. Each division with the exception of Administration, is responsible for the direct application of assigned statutes. Information on all our legislation has been made available through our various regional offices.

ADMINISTRATION DIVISION

At the centre of the department is the Administration Division. It prepares and controls budgets; establishes economical utilization of space and equipment; serves as a liaison with other government departments such as Government Services and the Civil Service Commission; and provides a research and communications resource to its fellow divisions, as well as other departments and the public.

Research and Communications provides research and policy analysis, publishes consumer information material, and maintains an expanding library facility for staff and the public.

The division continues to have an interest in, and is supportive of the various groups operating in the private sector, and participates in seminars and displays in cooperation with these groups. In the fiscal year the division provided $3,500 in the form of a grant to assist the Nova Scotia branch of the Consumers' Association of Canada in its activities.

AMUSEMENTS REGULATION DIVISION

The Amusements Regulation Division is responsible for the classification of motion pictures shown in theatres and video cassettes rented or sold to the public. The division also licenses, and collects amusement tax, from various places of amusement.

Classification

In 1985, amendments to the Theatres and Amusements Act provided for the classification of video film for rent or sale to the public. After two years of negotiations with the Canadian Motion Picture Distributors Association, an agreement was reached in February, 1987 between the industry and the department on the procedure to be used to comply with the classification requirements.

During the discussions, most video film available in the province had been submitted to the board by the local retail outlets for classification voluntarily. The agreement reached with the studios and distributors provides for classification prior to sale to the retail outlets.

The retail outlets are responsible for affixing the appropriate sticker: GENERAL, ADULT, RESTRICTED, or EXEMPT FROM CLASSIFICATION on the cassette.

Legislation requiring the classification of all video cassettes led to the listing of 30,000 titles to date and the production of catalogues listing the ratings for all of these titles. The Department of Consumer Affairs provides this service free of charge.

(a) General: the film is one that the Board considers the viewing of which should not be restricted to persons of any age.

(b) Adult: the film is one the Board considers the viewing of which should be restricted to persons 14 years of age or older, or to persons younger than 14 years of age who are accompanied by an adult, because the film may contain scenes of limited violence such as hand-to-hand fighting, the use of weapons without excessive bloodletting and restrained portrayal of accident or disaster; scenes involving casual or brief nudity or romantic involvement that is not sexually explicit and where participants are at least partially clothed; or some use of coarse or vulgar language.

(c) Restricted: the film is one the Board considers the viewing of which should be restricted to persons 18 years of age or older because the film may contain scenes of torture or physical abuse, extreme violence, graphic depiction of accident or horror, nudity, sexual activity or excessive use of offensive language or promotes antisocial behaviour.

Certain videos are Exempt From Classification. They include such types as educational, cultural, heritage, children's cartoons, instructional videos.

Licensing and Tax Collection

The division issues licenses for theatres; projectionists; film exchanges; video outlets; itinerant shows; race tracks; festivals; rinks; arcades; pool halls; bowling alleys; bingo halls; go-cart tracks; and amusement parks.

The number of video retail outlets licensed by the province grew from 698 to 915. This increase reflects a continuing shift in film entertainment, taste and trends. Increased use of the home video market led to a process of reorganization by commercial film theatres and resulted in the closure of nine theatres during the fiscal year.

On August 15, 1986, Sussex Leaseholds announced the sale of the Sackville Downs race track and its closure. The outstanding debt for non-payment of pari-mutuel tax was $77,630.53. A suit was filed immediately for recovery of the debt.

There was a decline in the number of itinerant shows; however, there was an overall nine per cent increase in attendance at the amusement events and an eight per cent revenue increase in amusement tax.

CONSUMER SERVICES DIVISION

The Consumer Services Division has three distinct sections: business practices, debtor assistance, and regulated industries.

The business practices section processed 15,533 consumer complaints and inquires in the 1986-87 fiscal year. In addition, more than 280 lectures, mall displays, and other public information activities were undertaken by staff of the section.

The debtor assistance section provided financial counselling to 2735 households and administered 1011 consolidation orders issued under the Orderly Payments of Debts Provisions; Part X of the Federal Bankruptcy Act. A total of 389 new consolidation orders were issued, and 588 referrals to bankruptcy were made during this fiscal period. There was a noticeable increase in the total amount of indebtedness per household interviewed during the year which is supported by the increased number of bankruptcy referrals.

The regulated industries section processed 6309 licences and registrations in 1986-87. There were 1262 applicants examined as part of their qualification for licences. The licensing program administered by the division includes; industries such as real estate and mortgage brokers, collection agencies, direct sellers, funeral homes, cemeteries, consumer reporting agencies and consumer lending institutions.

Revenue of $226,529 in licensing, registration, and examination fees were earned through this section's activities in the fiscal years. As part of the enforcement program, 129 staff-days were spent conducting audit inspections of various firms.

Statistics maintained by all sections indicate that approximately $255,000 in savings to consumers are directly attributable to assistance provided by staff of the Consumer Services Division.

A total of 78 staff-days were spent conducting investigations emanating from complaints; some involved cooperation with other enforcement agencies. These investigations resulted in a variety of remedial actions being taken.

The regulated industries section also became involved in the forfeiture of bonds posted by licensees under various statutes. During the 1986-87 fiscal year, the section paid nine consumer claims from the proceeds of three such forfeitures totalling $13,000.

The regulated industries section has increased its enforcement activity as a result of the redistribution of staff and a recognition of the role of inspections in fostering improved compliance with legislative requirements. This change in emphasis has resulted in significantly more inspections and a number of disciplinary hearings have ensued.

Two investigations were undertaken with respect to the Direct Sellers' Licensing and Regulation Act, and hearings were held before the Registrar. In one instance a firm had its licence suspended for 30 days, and in the other, a firm signed an Assurance of Voluntary Compliance that contraventions of the Act would not be repeated.

A hearing before the Superintendent of Real Estate into the practises of salespersons relating to mortgage financing resulted in the suspension of licences of three members of a provincial firm for a period of time.

CREDIT UNIONS AND TRUST COMPANIES DIVISION

The Credit Unions and Trust Companies Division has the responsibility of the administration of the Credit Union Act and the Trust Companies Act. Responsibility for the administration of the Trust Companies act was transferred to the department effective July 1, 1985. The name of the division was appropriately changed to include the additional responsibility.

Credit Unions

The division provides an inspection service to the credit unions of the province. This is intended to provide members with an independent review of the operations of their credit union and to ensure compliance with the provisions of the Credit Union Act. Inspections are usually carried out on an unexpected basis, although they are sometimes requested by the credit union.

There were 106 credit unions operating in the province as of December 31, 1986. These credit unions had total membership of 158,231 people and combined assets of $341 million. Assets grew by $33 million during 1986 and this represents a growth rate of 10.8 per cent, which compares very favourably to the growth rate of 8.8 per cent for credit unions on a national basis. The growth rate of Nova Scotia's credit unions also exceeded the national rate for trust companies at 10.5 per cent and banks at 9.4 per cent for the same period.

All credit unions were fully inspected during the year. In addition, the division maintained its program of partial and follow-up inspections where problems were identified.

During 1986, there were no amalgamations or dissolutions of credit unions. The 106 credit unions in the province include 80 that are community based, 20 that are occupational, five that are parochial, and one that is based on the membership of a cooperative organization.

In the carrying out of its responsibilities, the division liaises with the Credit Union Central of Nova Scotia and the Nova Scotia Credit Union Stabilization Fund Board, which is the deposit protection fund for the credit unions of the province.

Trust Companies

At March 31, 1987 there were four trust companies incorporated in the province that were subject to the Trust Companies Act:

Acadia Trust Company has been in operation since 1920. Keltic Trust Company commenced business in 1985. Halifax Trust Company was incorporated in 1985 and received its certificate to commence business in December, 1986. Global Trust Company was incorporated in 1986 and received its certificate to commence business in Septernber, 1986.

The four companies had combined assets of $6.3 million at December 31, 1986. After provision for liabilities of $200,000, the companies had capital and retained earnings totalling $6.1 million.

INSURANCE DIVISION

The Insurance Division is responsible for the administration of the Insurance Act, the Insurance Premiums Tax Act and the Mutual Insurance Companies Act.

There were 305 insurance companies transacting business in Nova Scotia, of which 115 were Life insurers. A total of 3,639 agents were licensed by the division, resulting in the collection of $61,148 in licence fees.

The division handled 1,569 consumer inquiries, 550 industry inquiries and 187 consumer complaints. Liability insurance was a continuing concern during the year, particularly for amusement companies, municipalities and professionals. Although availability of this type of insurance was thought to be a problem to many, the division was able to guide these consumers to appropriate markets. The cost of this insurance, however, impacted on many businesses in Nova Scotia.

The division collected $16,463,749 in premium tax and $1,375,787 in fire prevention tax during the year.

During 1986-87, the division participated in ongoing discussions on the formation of an industry plan for national compensation funds that would protect the public against losses incurred if an insurer became insolvent. It is anticipated that the property and casualty insurance compensation plan will be in place in 1988.

Discussions were also held on the formation of a Canadian Insurance Exchange similar to that known as Lloyds of London. Such an exchange would tend to alleviate concerns held for liability insurance markets and at the same time keep more premiums in Canada.

The division was host for the 69th annual meeting of the Canadian Council of Superintendents of Insurance held in Halifax in 1986 and was attended by 394 delegates representing the insurance industry and governments of Canada, the United States and Europe.

RENT REVIEW DIVISION

The Rent Review Division is responsible for the administration of the Rent Review Act. The Act provides for a review of all rent increases exceeding the annual percentage guidelines, as well as all discontinued services.

The rent review process is initiated by landlords through the filing of a rent increase application exceeding the annual percentage guideline. Landlords must file property and financial information with the division in support of the application and tenants are given an opportunity to review the information and offer their comments. A Rent Review Officer renders a decision which is sent to both landlord and tenant(s). Either party has fifteen days to request a review of the decision by the Rent Review Commission.

Total rent increase applications (units) processed during the 1986 calendar year were 40,126. Of these, 17,229 were requests for increases greater than the percentage guideline of 4 per cent. This represents a decrease of 10.6 per cent over the 1985 figure of 19,280. Each decision usually affects the total number of residential rental units in a building. The rent review process is the same for either a single family home or multiple unit apartment building.

A total of 2,270 decisions were rendered by the officers. Nine per cent were appealed to the commission. The number of decisions appealed has been steadily decreasing over the past few years as landlords and tenants become more familiar with the legislation and the review process.

Throughout the year, division staff participated in a number of training sessions and seminars for real estate salespersons and property owners.

The Appeal Division of the Supreme Court of Nova Scotia ruled on two of the Rent Review Commission's decisions. The first decision (based on a tenant's appeal), held that the Rent Review Officer or Commission could not grant a rent increase greater than the statutory increase regardless of expenses incurred, unless a proper application under Section 10 was made at the appropriate time. This decision has the effect of removing any discretion in the limiting of rent rebates.

The second Supreme Court decision was on the question of exemption, due to a unit becoming owner occupied after it had been rented. The court held that there is no provision in the legislation to exempt such premises from the Act, when they are subsequently offered for rent.

RESIDENTIAL TENANCIES DIVISION

The Residential Tenancies Division is responsible for the Residential Tenancies Act, the Condominium Act and the Rental Property Conversion Act, and their day-to-day administration. It coordinates the activities of the eight regional tenancies offices and administers business matters pertaining to the incorporation of condominiums.

The Residential Tenancies Act establishes rights and obligations for landlords and tenants with respect to rented residential premises, and it sets out remedies when rights are abused. Disputes between landlords and tenants are documented in a written complaint(s) and assigned to a Residential Tenancy Officer for mediation.

If no agreement is reached during mediation, the dispute is referred to a Residential Tenancies Board by the complaintant in the form of a summary application to the County Court. The court then refers the matter to a Residential Tenancies Board for a hearing. A report containing recommendations is made by the board to the court for a decision. The parties have seven business days in which to file a notice of objection with the court. The matter then becomes a County Court matter, and the parties are advised to retain legal counsel.

The Standard Form of Lease came into effect on February 1, 1985. It provides that certain standard terms apply to all leases and makes the terms of the tenancy clear to both landlord and tenant. The Standard Form of Lease is to be used in all written tenancy agreements and is produced in duplicate to provide copies for both parties.

If a lease is signed that does not contain the standard terms they are still applicable. The standard terms of the lease are applicable where there is no written lease.

A total of 4,679 complaints were received by the division, a five per cent increase above the number received in the previous year. Of these, 68 per cent were from the Halifax and Dartmouth area. Approximately 62 per cent of the complaints were mediated, and the remainder were referred to the boards for disposition.

By 1983, only 40 corporations had been registered in the province. During the fiscal year 1986/87, however, 29 new condominiums were registered involving a total of 701 units; 644 were residential and 57 were commercial. Twenty-six bylaws or amendments to bylaws were registered during the period. The revenue generated for registration of corporations and bylaws was $132,025.22. In the fiscal year 1986-87, 325 calls were received per month.

FINANCIAL INFORMATION

Expenditures

Program Description	1985-86 Actual	1986-87 Estimate	1986-87 Actual
Administration	388,646	411,200	399,225
Consumer Services	856,041	880,300	897,156
Residential Tenancies	630,115	664,800	664,893
Insurance	*	193,000	215,237
Amusements Regulation	537,439	521,600	483,061
Credit Union	409,222	412,200	416,890
Rent Review	549,457	592,900	540,989
TOTAL	3,370,920	3,676,000	3,617,451

Revenue

Program Description	1985-86 Actual	1986-87 Estimate	1986-87 Actual
Administration	-	-	17,297
Consumer Services	221,230	215,400	243,142
Insurance	*	15,730,000	17,900,474
Amusements Regulation	4,934,281	5,445,000	5,209,839
Condominiums	131,231	70,000	132,726
TOTAL	5,286,742	21,460,400	23,503,518

*Although administration of Insurance was transferred to the Department of Consumer Affairs July 1, 1985, its financial information remained on the records of the Department of the Attorney General for 1985-86.

STATISTICAL INFORMATION

AMUSEMENTS REGULATION DIVISION

Number of Films Screened by Type of Classification

Classification 35mm Films	1985/86	1986/87
General	23	23
Adult	138	119
Restricted	57	67
Rejected	1	0
TOTAL	219	209

Classification 16mm Films	1985/86	1986/87
General	2	3
Adult	6	2
Restricted	2	0
Rejected	0	0
TOTAL	10	5

Classification Video Films	1985/86	1986/87
General	363	105
Adult	1,650	373
Restricted	1,150	388
Rejected	101	10
TOTAL	3,264	876

Origin of 35mm Films Classified

Country	1985/86	1986/87
United States	152	140
Great Britain	8	13
Canada	10	10
France	8	6
Italy	0	2
West Germany	4	3
Japan	0	4
Soviet Union	1	0
Austria	0	3
Africa	0	1
China	0	3
Spain	0	2
Other	36	22
TOTAL	219	209

Number of Licences Issued

Films and Theatres:	1985/86	1986/87
Theatres	62	53
Projectionists	129	90
Apprentice Projectionists	9	13
Projection Machines	105	100
Film Exchanges	18	42
Film Certificates	737	609
Other Licenses Issued:		
Itinerant	5	6
Racetracks (horse)	5	5
Festivals (outdoor)	4	4
Places of Amusement*	600	603
Video Outlets	698	914
TOTAL	2,372	2,439

*This category includes rinks, arcades, pool halls, bowling lanes, bingo halls, go-cart tracks, amusement parks, etc.

Attendance by Type of Event

Type of Event	Number of Persons	
	1985/86	1986/87
Theatres (movie and live)	2,341,180	2,145,507
Itinerant shows	376,737	371,262
Lounges, beverage rooms, and cabarets	1,416,037	1,623,474
Boxing, hockey, wrestling, and other professional sports	191,194	188,775
Horse racing	70,617	49,411
Other Events	287,693	706,651
TOTAL	4,683,458	5,085,080

CONSUMER SERVICES DIVISION

Percentage of Complaints by Type
April 1, 1986 to March 31, 1987

Type of Complaint	Number	Per Cent
Automobiles	1690	21
Consumer goods & services	1500	19
Mail orders	629	8
Contractors	610	7
Appliances	479	6
Collection Agencies	460	6
Home furnishings, rugs & drapes	300	4
Clothing & footwear	250	4
Consumer loans	225	3
Retail credit	120	1
Other	2019	24
TOTAL	8282	100

Debtor Assistance
April 1, 1986 to March 31, 1987

Interviews	2735
Consolidation orders issued	389
Referrals to bankruptcy	588
Consolidation orders in effect	1011

Regulated Industries
April 1, 1986 to March 31, 1987

Licenses & registrations issues	6309
Examinations	1262
Licensing revenues	$226,529
Licenses cancelled or suspended	3

CREDIT UNIONS AND TRUST COMPANIES DIVISION

Loans Granted by Credit Unions by Purpose for Year Ending December 31, 1986

Purpose of Loans	Number	Amount ($'000)
Consolidation of debts	9,326	32,409
Auto purchases and repairs	13,651	58,698
Insurance premiums	1,280	703
To make investments	702	2,296
Education	783	1,298
Medical and dental	565	585
Taxes	874	945
Holidays	2,276	3,341
Home repairs and renovations	6,861	20,167
Purchase of real estate:		
New housing	414	9,909
Used housing	545	13,461
Farm	1	4
Other commercial	28	320
Fraternal	19	57
Other	234	2,677
Purchase of equipment:		
Household	3,221	4,716
Farm	158	1,089
Fishermen	144	844
Other commercial	41	346
Fraternal	4	18
Other	387	941
Operating expenses:		
Household	2,968	2,154
Farm	126	437
Fishermen	142	459
Co-operatives	9	149
Other commercial	1,183	2,141
Fraternal	11	16
Other	517	3,997
Miscellaneous loans	27,654	47,201
TOTAL	74,124	211,378

Nova Scotia Credit Unions
Consolidated Balance Sheet
December 31, 1986
(with comparative figures for 1985)

	1986		1985	
	$'000	%	$'000	%
ASSETS				
Cash and demand deposits	21,316	6.2	17,621	5.7
Investments				
Central	31,637	9.3	28,611	9.3
Central subsidiaries	21,042	6.2	13,909	4.5
Other	14,071	4.1	16,541	5.4
Loans to members	242,459	71.1	221,739	72.0
Land and buildings	3,854	1.1	3,336	1.1
Furniture and equipment	1,855	0.5	1,503	0.5
Accrued interest	2,261	0.7	2,359	0.8
Other	2,606	0.8	2,267	0.7
TOTAL ASSETS	341,101	100.0	307,886	100.0
LIABILITIES				
Deposits				
Chequing	34,000	10.0	29,277	9.5
Demand	50,580	14.8	66,997	21.8
Term	80,640	23.6	50,554	16.4
RRSP	38,430	11.3	31,509	10.2
RHOSP			194	0.1
Shares	108,469	31.8	99,401	32.3
Total deposits and shares	312,119	91.5	277,932	90.3
Accounts payable	8,269	2.4	6,284	2.0
Loans payable	3,459	1.0	6,978	2.2
Other	612	0.2	142	0.1
TOTAL LIABILITIES	324,459	95.1	291,336	94.6

EQUITY				
Guaranty fund reserve	7,397	2.2	6,808	2.2
Other reserves	3,337	1.0	2,661	0.9
Retained earnings	5,908	1.7	7,081	2.3
Total Equity	16,542	4.9	16,550	5.4
TOTAL LIABILITIES AND EQUITY	341,101	100.0	307,886	100.0

Nova Scotia Credit Unions
Consolidated Statement of Income
and Retained Earnings
For the Year Ended December 31, 1986
(with comparative figures for 1985)

	1986		1985	
	$'000	%	$'000	%
REVENUE				
Interest				
Loans	32,337	80.8	29,598	80.2
Investments	5,105	12.7	5,024	13.6
Total interest revenue	37,442	93.5	34,622	93.8
Other revenue	2,616	6.5	2,291	6.2
TOTAL REVENUE	40,058	100.0	36,913	100.0
EXPENSE				
Interest				
Deposits	13,211	33.0	12,173	33.0
Borrowings	750	1.9	620	1.7
Total interest expense	13,961	34.9	12,793	34.7
Member security	2,585	6.5	2,266	6.1
Personnel	8,036	20.1	7,303	19.8
Occupancy	1,259	3.1	1,041	2.8
Other operating expense	5,441	13.5	4,713	12.8
Guaranty fund reserve	1,156	2.9	928	2.5
Provision for dividends	3,155	7.9	1,437	3.9
TOTAL EXPENSE	35,593	88.9	30,481	82.6
SURPLUS				
before income tax	4,465	11.1	6,432	17.4
Income tax	317	0.8	414	1.1
SURPLUS				
after income tax	4,148	10.3	6,018	16.3

Retained earnings Jan. 1	7,081	6,404
Adjustments	198	(4)
	11,427	12,418
Allocations to reserves	606	526
Dividends and other distributions to members	4,913	4,811
	5,519	5,337
RETAINED EARNINGS DEC. 31	5,908	7,081

Nova Scotia Trust Companies
Consolidated Balance Sheet
December 31, 1986

	1986	
	$	%
ASSETS		
Cash and short term deposits	$2,778,854	44.4
Marketable securities	2,878,377	46.0
Mortgage loans	3,989	0.0
Other assets	598,819	9.6
	$6,260,039	100.0
LIABILITIES		
Accounts payable	$ 34,835	0.6
Other liabilities	168,613	2.7
	$ 203,448	3.3
SHAREHOLDERS EQUITY		
Capital	$5,950,000	95.0
Retained earnings	106,591	1.7
	$6,056,591	96.7
	$6,260,039	100.0

Nova Scotia Trust Companies
Consolidated Statement of Revenue
and Retained Earnings
For the Year Ended December 31, 1986

	1986	
	$	%
REVENUE		
Investments	$ 75,631	23.1
Fees and commissions	251,991	76.9
	$327,622	100.0
EXPENSE		
Interest incurred	$ 385	0.1
Salaries and benefits	141,812	43.3
Other operating costs	175,484	53.6
Depreciation	12,257	3.7
	$329,938	100.7
Net Loss-before income tax	(2,316)	(0.7)
Income tax	15,370	
Net Loss-after income tax	(17,686)	
Retained Earnings January 1, 1986	$124,277	
Retained Earnings December 31, 1986	$106,591	

INSURANCE DIVISION

Number of Insurance Agents and Adjusters Licensed

Type	1985	1986
Resident agents—other than life	1,195	1,343
Resident agents—life	1,687	1,803
Restricted accident & sickness only (including travel agents)	304	346
Non-resident agents—other than life	90	67
Non-resident agents—life	83	80
Resident adjusters	109	117
Non-resident adjusters	15	17
	3,483	3,773

Premiums & Losses: Property & Casualty

Class	1985			1986		
	Prem. ($'000)	Loss.	Loss/Prem. Ratio	Prem. ($'000)	Loss.	Loss/Prem. Ratio
Accident & sickness	74.4	65.9	88.6%	123.5	75.2	60.9%
Property	93.2	62.1	66.3	109.8	62.3	56.8
Automobile	137.3	109.8	80.0	165.7	129.2	81.9
Miscellaneous	28.8	11.5	40.6	39.3	11.8	11.5
Total	333.7	249.3	74.7	438.3	278.5	63.5

Life Insurance ($'0000)

Class	1985		1986	
	Insurance In Force	Premiums	Insurance In Force	Premiums
Ordinary	8,296.8	68.9	8,654.8	68.5
Group	11,113.3	38.4	13,731.3	39.5
Total	19,410.1	107.3	22,386.1	108.0

RENT REVIEW DIVISION

Applications Received, Calendar Years 1985 and 1986

Applications (Units)	1985 Number	%	1986 Number	%
Over annual guideline	19,280	49	17,229	43
Under annual guideline	20,085	51	22,897	57
Total Applications	39,365	100	40,126	100

Comparison of Applications Received, Calendar Years 1985 and 1986

	1985	1986	% Increase
Total applications	39,365	40,126	1.9
Over guideline	19,280	17,229	-10.6
Under guideline	20,085	22,897	14.0
Decisions (properties) rendered by Residential Tenancy officer	2,414	2,270	-6
Requests for decision review to Rent Review Commission	227	205	-15.7
Percentage of officers' decisions appealed	9.4	9	

Number of Applications Received by Major Centres* in 1985 and 1986

Area	1985	1986
Halifax	29,717	30,175
Truro	3,241	3,495
Sydney	1,500	1,820
Kentville	2,666	2,471
Bridgewater	1,334	1,231
Yarmouth	907	934
TOTAL	39,365	40,126

*Figures include surrounding municipalities and counties.

RESIDENTIAL TENANCIES

April 1, 1986 to March 31, 1987

	Requests for Information		Number of
	Telephone	Office Visit	Complaints
Halifax & County West	15,966	3,211	2,073
Dartmouth & County East	6,279	2,098	1,103
Northern Counties	2,848	933	550
Cape Breton & Victoria Counties	2,009	577	313
Annapolis Valley	1,942	492	298
Western Counties	1,672	1,118	127
Strait & Eastern Counties	782	262	109
South Shore	692	271	106
TOTAL	32,190	8,962	4,679

Complaints Filed
April 1, 1986 to March 31, 1987

	Landlord	Tenant	Total	% of Total Complaints
Halifax & County West	1,029	1,044	2,073	44
Dartmouth & County East	622	481	1,103	24
Northern Counties	327	223	550	12
Cape Breton & Victoria Counties	176	137	313	7
Annapolis Valley	174	124	298	6
Western Counties	80	47	127	3
Strait & Eastern Counties	56	53	109	2
South Shore	50	56	106	2
TOTAL	2,514	2,165	4,679	100

Complaints by Type
April 1, 1986 to March 31, 1987

	Number	% of Total
Unpaid rent	1,794	38
Non return of security deposit	941	20
Notice to quit	443	9
Condition of premises	397	8
Damages	266	6
Undue interference	122	3
Deletion of services	122	3
Other*	594	13
TOTAL	4,679	100

*Includes Entry doors, Barred access, Leases, Rent overpayment rebates, Rent review, Applications to lease.

Complaints by Disposition

Number of Complaints	Number	% of total
Mediated	2,882	62
Referred to Residential Tenancies Board	1,797	38

Condominium Registrations
April 1, 1986 to March 31, 1987

Condominiums registered	29
Condominium Units registered (residential)	644
Condominium Units registered (commercial)	57
By-Laws registered	26
Revenue from By-Laws registration	$ 650
Revenue from Condominium registration	$131,375
Total Revenue	$132,025